



**STATE OF HAWAII**  
**CONTRACT FOR GOODS OR SERVICES**  
**BASED UPON**  
**COMPETITIVE SEALED PROPOSALS**

This Contract, executed on the respective dates indicated below, is effective as of \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_ Hawaii Public Housing Authority \_\_\_\_\_,  
(Insert name of state department, agency, board or commission)  
 State of Hawaii ("STATE"), by its \_\_\_\_\_ Executive Director \_\_\_\_\_,  
(Insert title of person signing for State)  
 (hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),  
 whose address is \_\_\_\_\_ 1002 North School Street, Honolulu, HI 96817 \_\_\_\_\_  
 \_\_\_\_\_ and \_\_\_\_\_  
 ("CONTRACTOR"), a \_\_\_\_\_  
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)  
 under the laws of the State of \_\_\_\_\_, whose business address and federal  
 and state taxpayer identification numbers are as follows: \_\_\_\_\_

**RECITALS**

A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services or both.

B. The STATE has issued a request for competitive sealed proposals, and has received and reviewed proposals submitted in response to the request.

C. The solicitation for proposals and the selection of the CONTRACTOR were made in accordance with section 103D-303, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 6, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").

D. The CONTRACTOR has been identified as the responsible and responsive offeror whose proposal is the most advantageous for the STATE, taking into consideration price and the evaluation factors set forth in the request.

E. Pursuant to \_\_\_\_\_ Section 356D-4, HRS \_\_\_\_\_, the STATE  
(Legal authority to enter into this Contract)  
 is authorized to enter into this Contract.

F. Money is available to fund this Contract pursuant to:

(1) \_\_\_\_\_  
(Identify state sources)

or (2) \_\_\_\_\_  
(Identify federal sources)

or both, in the following amounts: State \$ \_\_\_\_\_  
 Federal \$ \_\_\_\_\_

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the request for competitive sealed proposals number PMB-2016-04 ("RFP") and the CONTRACTOR'S accepted proposal ("Proposal"), both of which, even if not physically attached to this Contract, are made a part of this Contract.

2. Compensation. The CONTRACTOR shall be compensated for goods supplied

or services performed, or both, under this Contract in a total amount not to exceed \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), including approved costs incurred and taxes, at the time and in the manner set forth in the RFP and CONTRACTOR'S Proposal.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR ☐ is required to provide or ☒ is not required to provide: ☐ a performance bond, ☐ a payment bond, ☐ a performance and payment bond in the amount of \_\_\_\_\_ n/a \_\_\_\_\_ DOLLARS (\$ -0- \_\_\_\_\_).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the RFP, including all attachments and addenda; and (3) the Proposal.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of \_\_\_\_\_ n/a \_\_\_\_\_ DOLLARS (\$ -0- \_\_\_\_\_) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

#### STATE

(Signature)

Hakim Ouansafi

(Print Name)

Executive Director

(Print Title)

(Date)

#### CONTRACTOR

(Name of Contractor)

(Signature)

(Print Name)

(Print Title)

(Date)

CORPORATE SEAL

(If available)

APPROVED AS TO FORM:

Deputy Attorney General

\* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 ) SS.  
\_\_\_\_\_ COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ before me appeared  
\_\_\_\_\_ and \_\_\_\_\_, to me  
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are  
\_\_\_\_\_ and \_\_\_\_\_ of  
\_\_\_\_\_, the  
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said  
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said  
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Notary Public, State of \_\_\_\_\_

My commission expires: \_\_\_\_\_

Doc. Date: \_\_\_\_\_ # Pages: \_\_\_\_\_

Notary Name: \_\_\_\_\_ Circuit \_\_\_\_\_

Doc. Description: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Notary Stamp or Seal)

\_\_\_\_\_  
Notary Signature Date

NOTARY CERTIFICATION



**STATE OF HAWAII**

**CONTRACTOR'S**

**STANDARDS OF CONDUCT DECLARATION**

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of \_\_\_\_\_, CONTRACTOR, the undersigned does declare as follows:

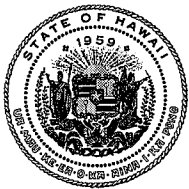
1. CONTRACTOR ☐ is\* ☐ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

\* **Reminder to Agency:** If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

**CONTRACTOR**

By \_\_\_\_\_  
(Signature)  
Print Name \_\_\_\_\_  
Print Title \_\_\_\_\_  
Name of Contractor \_\_\_\_\_  
Date \_\_\_\_\_



## STATE OF HAWAII

# SCOPE OF SERVICES

### CONTRACTOR:

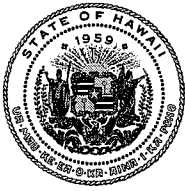
PROPERTY: Ke Kumu Ekahi, 68-3520 Ke Kumu Place, Waikoloa HI 96738

SERVICES: Property Management and Maintenance Services  
RFP PMB-2016-03

1. It is understood and agreed that the following documents, and any amendments or addenda, comprise the Contract between the parties govern the work to be performed by the CONTRACTOR for Property Management and Maintenance Services: (1) Contract for Goods and Services including the Contractor's Acknowledgement, Contractor's Standard of Conduct Declaration, Attachments S1, S2, S3, S4, and S5; (2) General Conditions, AG-008 103D General Conditions; (3) Request-for-Proposals No. RFP PMB-2016-03 and all addenda; and (4) CONTRACTOR's accepted proposal dated March 7, 2016 and clarifications dated \_\_\_\_\_. These documents are collectively referred to as the "Contract Documents".
2. The CONTRACTOR shall provide property management and maintenance services at the affordable rental housing property located on the island of Hawaii as listed above in a satisfactory and proper manner as determined by the STATE, and in strict accordance with the terms and conditions of the Contract Documents
3. In accordance with the Contract Documents the CONTRACTOR shall furnish, all labor and other means necessary to provide property management and maintenance services as described in Request for Proposals No. PMB-2016-03 and the CONTRACTOR'S accepted proposal. If there is a conflict between the CONTRACTOR'S accepted proposal and this Contract, the Contract shall prevail.
4. **Work Plan: Miscellaneous Employee Time**

It is understood and agreed that the CONTRACTOR's work plan, included "Miscellaneous employee time" which is defined as vacation, holiday and sick leave. The CONTRACTOR and its employees shall not be entitled to accrue vacation or sick leave beyond the Contract term or past the Fiscal Year Ending June 30. Vacation and/or sick leave not used during the Contract period shall be forfeited by the CONTRACTOR. Vacation and/or sick leave may not be converted to cash by the CONTRACTOR at the STATE's expense.
5. **Rent Determination**

It is understood and agreed that the CONTRACTOR, at a minimum, shall conduct an annual review of the project rent rate and recommend necessary changes. The CONTRACTOR shall submit in writing recommended changes, including rent comparables and budget requirements to the STATE for approval. Upon approval by the STATE, the CONTRACTOR shall prepare the necessary request, including all documentation required for approval by the Hawaii Housing Finance and Development Corporation.



## STATE OF HAWAII

# SCOPE OF SERVICES

### 6. Management Requirements

- A. The CONTRACTOR shall be responsible to maintain the overall physical appearance and condition of Ke Kumu Ekahi, including maintenance and up-keep to the individual units.
- B. The CONTRACTOR shall be responsible for the timely submission of reports on performance or progress including, but not limited to:
  - i. Vacant Unit Report;
  - ii. Supervisor's File Review Log; and
  - iii. Crime Tracking Log.
- C. Upon full execution of this Contract, the CONTRACTOR shall submit to the State a copy of its written policies as follows:
  - i. Drug Free Workplace;
  - ii. Sexual Harassment Awareness Policy;
  - iii. Non-violence in the Workplace Policy;
  - iv. Standards of Conduct;
  - v. Fair Housing Policy;
  - vi. Smoking Policy; and
  - vii. Safety Plan or Policies.

### 6. Accounting and Fiscal Services

- A. The CONTRACTOR shall submit an operating budget for each fiscal year (July through June) no later than the two (2) months before the start of the fiscal year. The CONTRACTOR shall submit the budget and any requests to amend the budget using the forms provided by the STATE.
- B. It is understood and agreed that any purchases outside the approved budget require prior written approval from the STATE. The CONTRACTOR shall submit a request to make an unbudgeted purchase using the forms and instructions provided by the STATE.
- C. The CONTRACTOR agrees to comply with all State and Federal laws, regulations, rules, and policies regarding the procurement of goods, services and construction.

### 7. Unit, Common Areas and Ground Maintenance

- A. The CONTRACTOR shall perform at least one (1) annual unit inspection as required by federal requirements and one preventative maintenance inspection.
- B. The CONTRACTOR shall perform maintenance on the units, common areas, and grounds.

### 8. Unit Turnover



## STATE OF HAWAII

### SCOPE OF SERVICES

- A. The CONTRACTOR shall be responsible for turning over vacant units within 20 days.
- B. It is understood and agreed that there may be extenuating circumstances outside of the CONTRACTOR'S control that affect the CONTRACTOR'S ability to rent a vacated unit within 20 days. The CONTRACTOR shall be responsible to accurately track unit turnaround and to provide a written report to the STATE on units that are not turned around within 20 days, including the reason for the delay and an anticipated date of completion.

#### 9. Vacancies

- A. The CONTRACTOR shall be responsible for maintaining a vacancy rate of no higher than three percent (3%) of the housing units available at the project. It is agreed and understood that the "housing units available for lease" does not include any unit that has been referred to the STATE for major repairs and/or under construction, or exempted by the STATE from the unit count.
- B. The CONTRACTOR shall be responsible for accurately tracking unit vacancies and to provide a written report to the STATE on units that are available for lease, but have not been filled on a timely basis. The report shall include a projected timeline for the renting of the vacant unit.

#### 10. Work Order System

- A. The CONTRACTOR shall utilize the STATE's work order system or a substitute system as approved by the STATE. The CONTRACTOR shall be responsible for ensuring that its staff are properly trained on the work order system, including the opening, input, coding, and closing of work orders.
- B. The CONTRACTOR shall comply with all rules, regulations or subsequent revisions on the timeline for completion of work orders as instructed by the STATE.
- C. The CONTRACTOR agrees to submit a written report on open work orders upon request by the STATE.

#### 11. Routine and Preventative Maintenance

- A. The CONTRACTOR is required to establish and follow a schedule of regular preventative maintenance.
- B. The CONTRACTOR shall train all newly-placed tenants on how to properly maintain their units and appliances.



STATE OF HAWAII

SCOPE OF SERVICES

12. **Utilities**

- A. The CONTRACTOR shall monitor electricity and water consumption at the project for unusually high usage or irregular charges. Any irregularities shall be reported to the STATE on a timely basis.
- B. The CONTRACTOR shall be responsible to work with the tenants to conserve water and electricity on a regular basis.

13. **Refuse Collection and Disposal**

- A. It is understood and agreed that the STATE is responsible to contract for regular trash collection services. The CONTRACTOR shall be responsible for monitoring the performance of the trash collection agency and for submitting monthly monitoring reports to the STATE.
- B. The CONTRACTOR shall be responsible for maintaining the areas surrounding the trash bins and for the proper disposal of any excess or bulky materials. The disposal of excess refuse or bulky materials shall be paid on a reimbursement basis.

14. **Pest Control**

- A. The CONTRACTOR shall be responsible for the procurement and contracting of a pest control company. The CONTRACTOR shall obtain prior written approval from the STATE for pest control services.

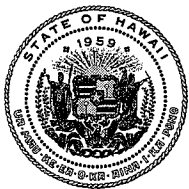
15. **Street Sweeping**

- A. The CONTRACTOR shall maintain the parking and common areas in generally neat and presentable condition. The CONTRACTOR shall be responsible to clean the parking lot areas at least once (1) at the beginning of each week, and when necessary.

16. **Capital Needs**

- A. It is understood and agreed that the list of 16 items in the Contractor's accepted proposal are for referral to the STATE for assessment and any repairs are subject to the availability of funds.
- B. The CONTRACTOR shall provide assistance to the STATE with the repairs, including but not limited to, coordinating on-site inspections, notifications to the tenants, monitoring repair work (as requested), and attending meetings.





## STATE OF HAWAII

### SCOPE OF SERVICES

#### 17. **Environment, Safety and Health Plan**

- A. The CONTRACTOR shall maintain a safety plan for project staff and shall be responsible for ensuring that the staff are adequately trained and informed.

#### 18. **Resident Associations**

- A. The CONTRACTOR shall establish a system to maintain communication with the tenants at each project.
- B. The CONTRACTOR shall actively encourage the formation and maintenance of a tenant association at each project. The CONTRACTOR shall attend tenant association meetings when requested, upon adequate notice by the tenant association.

#### 19. **Procurement, Equipment and Supplies**

- A. The CONTRACTOR shall ensure compliance with all State and Federal statutes, regulations, rules and policies on procurement, equipment inventory and disposal, and supply management.
- B. The CONTRACTOR shall be responsible for procuring all goods and services below the STATE's small purchase threshold of less than \$50,000 according to State and Federal statutes, regulations rules and policies. All procurements \$50,000 and above shall be the responsibility of the STATE.
- C. The CONTRACTOR shall submit all requests to purchase goods, services, and construction using the forms and instructions prescribed by the STATE. It is understood and agreed that all procurements for light construction should be made only after consultation and review of the specifications by the STATE.

#### 20. **Contract Monitoring**

- A. It is understood that the STATE, its auditors, and other designated representatives may monitor performance under this Contract. Based on monitoring findings, the CONTRACTOR may be requested to provide additional information or reports not previously requested or required, including a corrective action plan. The STATE also reserves the right to make periodic inspections, scheduled and unscheduled at the project site.



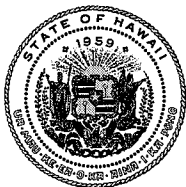
## STATE OF HAWAII

**COMPENSATION AND PAYMENT SCHEDULE****CONTRACTOR:****PROPERTY:** Ke Kumu Ekahi, 68-3520 Ke Kumu Place, Waikoloa HI 96738**SERVICES:** Property Management and Maintenance Services  
RFP PMB-2016-03

1. Subject to the availability and receipt of Federal funds and the CONTRACTOR's full and timely performance of all contractual obligations, the STATE agrees to pay the CONTRACTOR compensation the accepted bid price for each applicable tenant recertification case as set forth within attached and incorporated Exhibit \_\_\_\_.

Such compensation shall be the all-inclusive cost to the STATE, inclusive of all applicable taxes for property management and maintenance services as specified in the RFP No. PMB-2016-03 for the initial 7-month Contract period. Bid prices shall be firm for the duration of the Contract period and are not negotiable.

2. The STATE agrees to pay the CONTRACTOR, for services satisfactorily performed under this CONTRACT, a sum of money not to exceed \_\_\_\_\_ and \_\_\_\_\_/100. (\$ \_\_\_\_\_) for the Contract period.
3. Funds are subject to appropriation by the State's Director of Finance and allocation by the Governor. Funding and period of availability may change upon notice to the CONTRACTOR by the STATE. If there should be insufficient funds for any portion of the remaining Contract period beyond the initial 7-month period, the STATE may terminate the Contract or revise the amount/quantity of services required without penalty.
4. The CONTRACTOR shall be reimbursed on a cost reimbursement pricing structure according to the approved budget. Said compensation consists of a (i) Management Fee and (ii) Reimbursements for Expenses (i.e. administrative salaries, administrative medical benefits, administrative payroll taxes, maintenance salaries, maintenance medical benefits, maintenance payroll taxes, staff training, liability insurance, postage, telephone, copying and other office expenses) as set forth on the attached Price Proposal dated \_\_\_\_\_, attached hereto as Exhibit A and incorporated by reference.
5. It is agreed and understood that the CONTRACTOR shall be paid a management fee on an earned fee basis for property management and maintenance services satisfactorily performed at \$\_\_\_\_\_ per month for the initial 7-month period of the Contract.
6. The CONTRACTOR's management fee shall be calculated at no greater than \$\_\_\_\_\_ per occupied unit a month. The CONTRACTOR's management fee shall be based on the following definition of an occupied unit:
  - i. Units occupied for the entire reporting month;
  - ii. Units partially occupied for the reporting month;
  - iii. Vacant units slated by the STATE for modernization and approved by HUD;
  - iv. Vacant units referred by the CONTRACTOR to the; and



## STATE OF HAWAII

## COMPENSATION AND PAYMENT SCHEDULE

v. Vacant units approved by the HPHA for special purposes.

7. The CONTRACTOR's management fee shall be determined by the completion of six (6) criteria of the CONTRACTOR's management work plan. In the event that the CONTRACTOR fails to comply with a particular item (items i - vi) of the CONTRACTOR's management work plan, a portion of the management fee will not be earned as follows:

i.	Administrative Requirements	10%
ii.	Re-Examinations, Rent Collection and Tenant Account Receivables	35%
iii.	Unit, Common Area & Grounds Maintenance	10%
iv.	Unit Turnover	25%
v.	Work Order System	10%
vi.	Routine and Preventive Maintenance	10%

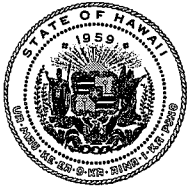
8. The STATE shall retain five percent (5%) from each monthly management fee billing as a retainage until final settlement of the initial 7-month Contract period. An invoice for the withholding shall be submitted at the end of the initial 7-month Contract period and each extension period thereafter. The invoice shall include the gross amount requested, the five percent (5%) withholding amount and the net amount requested. Release of the five percent (5%) retainage shall be subject to final settlement of the initial 12-month Contract period and each extension period thereafter. The total withholding amount shall not exceed five percent (5%) of the total Contract amount.

9. Upon execution of this Contract, payments shall be paid in accordance with and subject to the following:

- a. The CONTRACTOR shall submit a monthly invoice, one (1) original for goods and services rendered to:

Hawaii Public Housing Authority  
Property Management and Maintenance Services Branch  
P.O. Box 17907  
Honolulu, HI 96817

- b. Invoices for the month of June shall be submitted to the HPHA by the 30th of June for payment processing in order to comply with the HPHA's fiscal year-end close out processes
- c. Pursuant to section 103-10, HRS, the STATE shall have 30 calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. Upon receipt of the invoice, the HPHA shall date stamp the invoice and use this receipt date to calculate the 30-day payment period. For purposes of this paragraph, the CONTRACTOR's invoice date shall not be considered.



STATE OF HAWAII

**COMPENSATION AND PAYMENT SCHEDULE**

- d. All invoices shall reference the Contract number assigned to this Contract. Payment shall be in accordance with Section 103-10, HRS, upon certification by the Contract Administrator that the CONTRACTOR has satisfactorily performed the services specified.
  - e. Once a month the Contract Administrator will submit a report to the CONTRACTOR listing any discrepancies or Contract violation(s), that need correction. These discrepancies or contract violation(s) must be corrected by the next reporting period for payment adjustment purposes.
  - f. For final payment, the CONTRACTOR must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). If the CONTRACTOR fails to provide a valid tax clearance certificate within six (6) months of the termination date of this Contract, the STATE shall assign the final payment in an amount not to exceed the tax liability to the Department of Taxation or the Internal Revenue Service; provided that the debt owed to the Department of Taxation shall be offset first.
10. The STATE shall consider requests for increases as a result of an increase to public officers and employees during the Contract period or any option period. It is the sole responsibility of the CONTRACTOR to comply with Section 103-55, HRS.



## STATE OF HAWAII

## TIME OF PERFORMANCE

## CONTRACTOR:

PROPERTY: Ke Kumu Ekahi, 68-3520 Ke Kumu Place, Waikoloa HI 96738

SERVICES: Property Management and Maintenance Services  
RFP PMB-2016-03

1. The term of this Contract for Furnishing Property Management and Maintenance Services for the Affordable Rental Housing Property known as Ke Kumu Ekahi on the Island of Hawaii shall be for a seven (7) month period beginning on May 31, 2016 and ending on December 31, 2016.
2. No services shall be performed on this Contract prior to May 31, 2016.
3. The option to extend the Contract will be at the sole discretion of the STATE. The Contract may be extended, without the necessity of re-procuring, at the same rates as accepted in the original or amended proposal, unless price adjustments are made and approved as provided in the Request for Proposals (RFP) No. PMB-2015-03 or this Contract:

Initial term of Contract:	7 months
Length of each extension:	Up to 12 months
Maximum length of Contract:	55 months

4. The initial period shall commence on the contract start date. The following conditions must be met for an extension:
  - a. The CONTRACTOR experienced cost savings and has unexpended funds available that can be used to provide additional services; or
  - b. The STATE determines there is an ongoing need for the services and has funds to extend services of up to 55 months with no extension to exceed a 12-month period. The Contract extension(s) shall be awarded at the same or comparable rates as the Primary Contract. Exceptions shall be granted upon satisfactory justification such as increase in cost of services or cost of living increase as provided herein; and
  - c. A Supplemental Contract must be executed prior to expiration of the primary Contract; and
  - d. The CONTRACTOR must obtain written approval and a Notice to Proceed by the STATE with the extension; and
  - e. The STATE has determined that the CONTRACTOR has satisfactorily provided services over the current contract term.
  - f. Necessary State and/or Federal funds are appropriated and allotted for an extension.



## STATE OF HAWAII

Attachment – S4

## CERTIFICATE OF EXEMPTION FROM CIVIL SERVICE

**1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development ("DHRD").\***

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

\_\_\_\_\_  
(Signature)  
**Hakim Ouansafi**  
\_\_\_\_\_  
(Print Name)  
**Executive Director**  
\_\_\_\_\_  
(Print Title)

\_\_\_\_\_  
(Date)

\* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

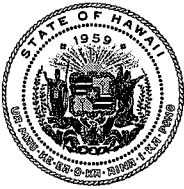
**NOTE:** Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

**2. By the Director of DHRD, State of Hawaii.**

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, HRS.

\_\_\_\_\_  
(Signature)  
\_\_\_\_\_  
(Print Name)  
\_\_\_\_\_  
(Print Title, if designee of the Director of DHRD)

\_\_\_\_\_  
(Date)



## STATE OF HAWAII

## SPECIAL CONDITIONS

## CONTRACTOR:

PROPERTY: Ke Kumu Ekahi, 68-3520 Ke Kumu Place, Waikoloa HI 96738  
 SERVICES: Property Management and Maintenance Services  
 RFP PMB-2016-03

1. The CONTRACTOR shall indemnify and hold harmless the STATE from and against any loss suffered as a result of a breach of the covenants contained in Paragraph 13, "Specific Use" of the sublease between Ke Kumu Limited Partnership and the Hawaii Housing Authority (aka Hawaii Public Housing Authority) dated December 25, 1992, including the payment of any recapture sum imposed by the Internal Revenue Service or by the State of Hawaii as a result of the breach.
2. The CONTRACTOR shall maintain insurance acceptable to the STATE in full force and effect throughout the term of this Contract. The policies of insurance maintained by the CONTRACTOR shall provide the following coverages:

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	<u>\$2,000,000.00</u> combined single limit per occurrence for bodily injury and property damage.  Personal injury limits of <u>\$1,000,000.00</u> per occurrence and <u>\$2,000,000.00</u> aggregate
Automobile Insurance covering all owned, non- owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000.00</u> each person and <u>\$1,000,000.00</u> per accident and property damage liability limits of <u>\$1,000,000.00</u> per accident OR <u>\$2,000,000.00</u> combined single limit.
Workers' Compensation as required by laws of the State of Hawaii.	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the CONTRACTOR and (in case any sub-contractor fails to provide adequate similar protection for all his employees) to all employees of sub-contractors.

- a. The State of Hawaii, the Hawaii Public Housing Authority, its elected and appointed officials, officers and employees shall be named as additional insured, except for Professional Liability Insurance and Workers Compensation Insurance, as respects to operations performed for the State of Hawaii under this Contract. The CONTRACTOR agrees to provide the STATE before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the STATE that the CONTRACTOR is in compliance with insurance provisions of this Contract and to keep such insurance in effect and the certificate(s) therefore on deposit with the STATE during the entire term of this Contract. Upon request by the State, the CONTRACTOR shall furnish a copy of the policy or policies.



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- b. Failure of the CONTRACTOR to provide and keep in force such insurance shall be regarded as material default under this Contract which shall entitle the STATE to exercise any or all of the remedies provided in this Contract for default of the CONTRACTOR.
  - c. The procuring of such required policy or policies of insurance shall not be construed to limit the CONTRACTOR's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, the CONTRACTOR shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.
  - d. The CONTRACTOR shall notify the STATE in writing of any cancellation or change in provisions 30 calendar days prior to the effective date of such cancellation or change.
  - e. The Hawaii Public Housing Authority is a self-insured STATE agency. The CONTRACTOR's insurance shall be primary. Any insurance maintained by the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by the CONTRACTOR.
  - f. To satisfy the minimum coverage limits required by this Contract, the CONTRACTOR may use an umbrella policy in addition to the mandatory insurance policies (i.e. General Liability Insurance, Automobile Insurance, and Workers' Compensation) provided that the HPHA approves, and the umbrella policy follows the underlying coverage forms.
3. The CONTRACTOR shall obtain and maintain, during the entire duration of this Contract, a fidelity bond at a minimum of \$500,000.00, or the minimum amount required by the applicable program, such bond shall cover all officers, employees, servants, and any students of the CONTRACTOR. The bond shall protect the CONTRACTOR against loss by reason of, including but not limited to, fraud, dishonesty, forgery, theft, larceny, embezzlement, wrongful abstraction or misappropriation or any other dishonest criminal or fraudulent act, wherever committed and whether committed directly or in connivance with others. The CONTRACTOR shall furnish at no cost or expense to the STATE a certificate of such coverage within thirty days from the award of the Contract.
4. The STATE shall monitor the performance of work on an ongoing basis through desk monitoring, site inspection and/or other appropriate methods.
5. Should the CONTRACTOR fail to comply with the requirements of the Contract, the STATE reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the CONTRACTOR or to directly assess the CONTRACTOR.
6. In the event the CONTRACTOR fails, refuses, or neglects to perform the services in accordance with the Contract Documents, the STATE reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct the cost of such services from any monies due or





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may thereafter become due to the CONTRACTOR. In case money due to the CONTRACTOR is insufficient for the purpose, the CONTRACTOR shall pay the difference upon demand by the STATE. The STATE may also utilize all other remedies provided under the Contract and by law and rules.

7. In the event of a conflict between the State General Conditions, AG-008 103D General Conditions and the Special Conditions, the more restrictive shall apply.
8. Smoking of tobacco or any other plant material is strictly prohibited on HPHA property. The CONTRACTOR agrees and shall adhere to this no-smoking prohibition while on HPHA property. Such violation may be considered a breach of this Contract and result in suspension or termination.
9. Interchangeable Terms. The following terms shall be one and same:
  - a. "STATE" and "HPHA".
  - b. "Contract" and "Agreement".